



Energizing Development

San Antonio and its municipal utility join forces to establish a clean technology cluster.

Job growth drives San Antonio's push for renewable energy — cleaner air is a beneficial byproduct. Since two recent mayors have embraced this approach, the country's seventh-largest city has developed a unique business ecosphere. Political leaders hope early gains will make San Antonio a leader in the "New Energy Economy."

Using the purchasing power of CPS Energy — among the largest municipally owned utilities — the city

by **ROBERT CROWE**
editor@conway.com

convinced four cleantech companies to relocate to San Antonio in June, while a fifth company, **SunEdison**, will open a local office to support a 30-megawatt solar project. Each company is expected to bring jobs and contribute financially to education programs and research in exchange for long-term business deals with the utility and city.

The four companies are **Consert Inc.**, a provider of energy-management and conservation solutions, which is relocating its headquarters to San Antonio from Raleigh, N.C.; **GreenStar**, a supplier of advanced lighting products, which is also relocating its headquarters to San Antonio; **Cold Car USA**, a manufacturer of refrigerated truck bodies; and **Summit Power Group LLC**, a developer of carbon-capture power projects.

"It's more than work-force train-

The Blue Wing Solar Project, in southeast San Antonio, uses 214,500 solar PV panels to produce clean energy for customers of CPS Energy, by virtue of a power purchase agreement with Duke Energy, the project's owner. Juwi Solar Inc., Boulder, Colo., designed and built the project.



All photos courtesy of CPS Energy unless otherwise noted

In Texas, wind energy is **A BIG DEAL!**

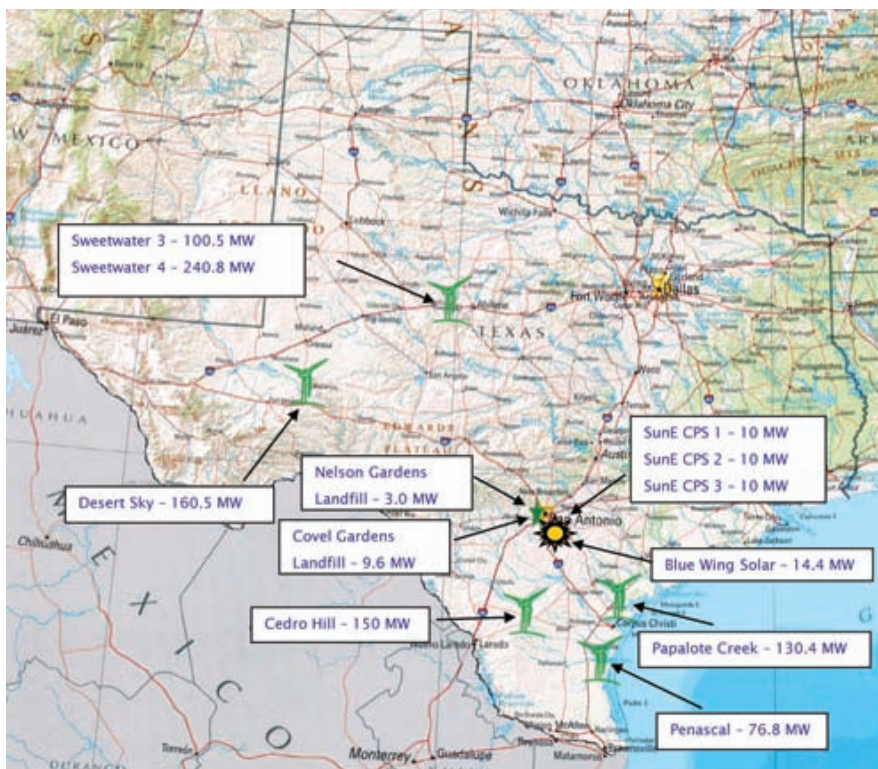


Texas is dedicated to providing a clean and diversified infrastructure today and for the next generation of Texans. Wind is a clean, affordable, and renewable resource which plays a growing role in the world energy market. Texas leads the nation in wind power with an estimated 10,135 megawatts of installed wind capacity. If Texas were a nation, it would rank sixth for installed capacity.



TexasWideOpenForBusiness.com

Write in #121 for free info.



Renewable Energy Projects by CPS

This map shows about 916 MW of renewables, which will eventually increase to about 1,516 over two to five years with 200 MW more wind through a power purchase agreement with Duke Energy's Los Vientos Windpower Project South of Corpus Christi. The project will add up to 400 MW at sites throughout the San Antonio area.

ing or identifying goals for greening the economy," says Deb Perry of the Vermont-based Institute for Sustainable Communities, which uses San Antonio as an economic development case study. "They are thinking how to create demand for energy services and how to supply it."

Mayor Julián Castro expects to create 230 green jobs by the middle of next year and up to 1,000 by 2015. He hopes investment in research, development and education will sustain gains through the Mission Verde Center, a multipurpose sustainability campus.

"We have the opportunity to reel in research and development jobs, which has been a missing component from San Antonio," Castro says.

Phil Hardberger, Castro's predecessor, was the first mayor to get the city on board with a bold approach to clean technology.

"When we looked out into the 21st century, it seemed pretty evident there would be a dramatic shift in the kind of energy used," says Larry Zinn, Hardberger's former chief of staff who now heads cleantech project development firm Tejas Verde Group.



BUSINESS IS BOOMING, AND THE LIVING IS EASY.

25 MINUTES TO SAN ANTONIO, 40 MINUTES TO AUSTIN,
WALKING DISTANCE TO RIVERS, LAKES, AND NIGHT LIFE.

Nestled against downtown New Braunfels in Central Texas, Town Creek's 65 shovel-ready acres are perfect for corporate offices and retail. To say employers love Texas' pro-business climate is quite an understatement. Likewise, Town Creek's lush, scenic location provides a quality of life your employees are equally in love with.

Town Creek is perfectly located in the heart of Texas—the #1 state for new business—in one of the fastest-growing business sectors in the state.

512.633.2245 • TOWNCREEKTexas.com



TOWN CREEK
NEW BRAUNFELS, TEXAS

THESE MATERIALS AND THE FEATURES AND AMENITIES DESCRIBED AND DEPICTED HEREIN ARE BASED UPON CURRENT DEVELOPMENT PLANS, WHICH ARE SUBJECT TO CHANGE WITHOUT NOTICE. NO GUARANTEE IS MADE THAT THE FEATURES, AMENITIES AND FACILITIES DEPICTED BY ARTISTS' RENDERINGS OR OTHERWISE DESCRIBED HEREIN WILL BE PROVIDED, OR, IF PROVIDED, WILL BE OF THE SAME TYPE, SIZE OR NATURE AS DEPICTED OR DESCRIBED.

PV Installations Jump 66 Percent in Early 2011

The U.S. solar energy industry continued to be one of the fastest growing sectors of the economy in the first quarter of 2011, according to the *U.S. Solar Market InsightTM: Q1 2011*, released June 16 by the Solar Energy Industries Association and GTM Research. In total, cumulative grid-connected solar electric installations have reached more than 2.85 GW (GW), enough to power nearly 600,000 U.S. homes.

In the first quarter of 2011, the United States installed 252 megawatts (MW) of grid-connected photovoltaics (PV) or 66 percent year-over-year growth over Q1 2010 installations. Two major factors drove this growth: falling solar energy equipment costs and a rush to take advantage of the Section 1603 Treasury program that was expected to expire in 2010 (the program was eventually extended through the end of 2011).

All three PV market sectors (residential, commercial and utility) continued to grow, with commercial installations showing the strongest gains.

"On the whole, the U.S. is currently the PV industry's most attractive and stable growth market," said Shayle Kann, managing director of solar at GTM Research. "This is reflected in our report's quarterly market data and in the comments from global suppliers, distributors and developers, all of whom see the U.S. positioned to nearly double its global market share in 2011 and support a greater diversity of installation types than has been previously seen in any leading demand center."

Geographically, the market was concentrated in a few key states. In Q1 2010, the top seven states comprised 82 percent of total installations, but that figure grew to 88 percent in Q1 2011, implying that established, leading markets gained an even larger share.

The top 10 states for PV installations in the first quarter are California, New Jersey, Arizona, Pennsylvania, Colorado, New York, Massachusetts, Maryland, Oregon and Texas. The pace of installations grew more than 50 percent in 11 of the 21 states analyzed in the report.

Price declines were also an important factor in the Q1 2011 solar expansion, as technology costs fell and the industry matured further, capitalizing on greater economies of scale and streamlined project development and installation.

Domestic PV module production in Q1 2011 amounted to 348 MW, a 31-percent increase over Q1 2010.

"With analysts predicting the U.S. to become the world's largest solar market within the next few years, manufacturers are increasingly looking to the U.S. to site their facilities," said Tom Kimbis, SEIA's vice president of strategy and external affairs. "They are finding significant value in manufacturing close to their expected source of demand. This strong demand continues to make solar one of the fastest-growing industries in the United States and a source of thousands of good jobs from manufacturing and installation to engineering and sales."

Cedar Hill is...



Cedar Hill:

- Has a median household income of \$66,206
- Is less than 20 minutes from Downtown Dallas
- Has 3 million SF of retail including the 800,000 SF Uptown Village

Office Locations in Cedar Hill:

- Are convenient to the new 115,000 SF Government Center
- Serve a population base of 738,000 within a 20 minute drive time

Cedar Hill also offers incentives for office development!



Use your smart phone's QR code scanner to see our latest video!



Allison J. H. Thompson,
CECD, EDPF - Director
Cedar Hill Economic Development Corporation
972.291.5132 - www.cedarhilledc.com



Dallas County's HOTTEST destination!

Rankings Concur: Texas' Business Case Is Compelling

Gov. Rick Perry has no shortage of accolades concerning Texas' business climate to tout as he makes a run for the Republican presidential nomination in 2012. Texas won Site Selection's 2010 Governor's Cup for winning the most new private-sector capital projects that year — Gov. Perry also received the 2004 and 2005 Governor's Cups earlier in his tenure as governor. A survey of CEOs by Chief Executive Magazine has ranked Texas as the top state for business for the seventh year in a row.

Also this year, Forbes named its Best Cities for Jobs based on job growth in 333 metropolitan statistical areas and their performance since 1996, ranking the top 10 in three categories — big, mid-sized and small cities. Like Site Selection's Governor's Cup and its other rankings, Forbes' analysis is data driven. Site Selection uses its New Plant Database as the basis for the Governor's Cup, and Forbes uses employment data from the Bureau of Labor Statistics. The governor's

political opponents and detractors will no doubt challenge his job-creation credentials in the months ahead. But it's hard to argue with data.

Forbes' rankings make a compelling case for Texas' metros as business locations, because they indicate where *job growth has actually taken place* — not where it might take place in the future. In that sense, they are like Site Selection's rankings, which are based on *actual new and expanding project announcements* — not prognostications about where they are likely to materialize in the future. For more on Texas' 2010 Governor's Cup win and the methodology behind it, visit the March 2011 issue at siteselection.com.

In the meantime, here's a recap of Forbes' take on the Best Cities for Jobs this year.

In the Big Cities category, Texas metros took *all of the top five slots*, and it fared pretty well in the mid-sized and small categories too (visit Forbes.com for the full analysis).

Seeking Solar Manufacturing

The center of the city's New Energy Economy initiative is an effort to anchor a world-class solar company, or multiple companies, with facilities that will assemble or manufacture photovoltaic (PV) panels to supply up to 400 megawatts of power through a long-term power purchase agreement (PPA).

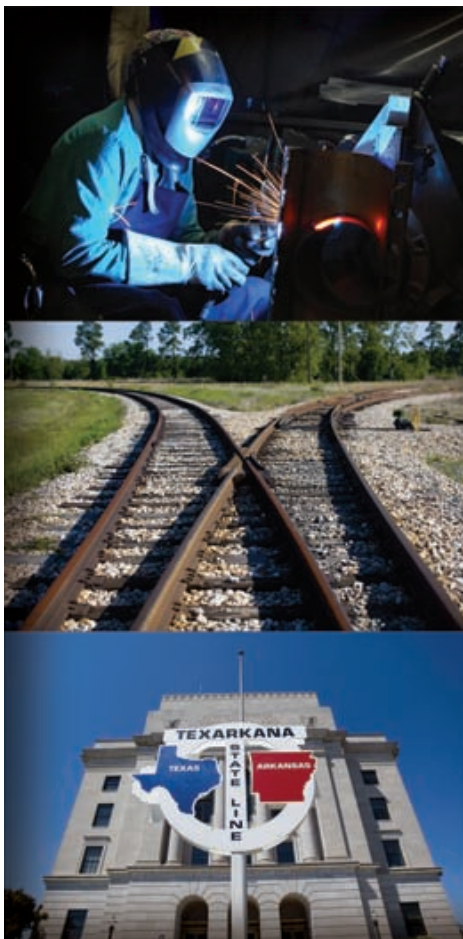
Castro says the project can bring more than 500 jobs.

Iterations of this model have been discussed across the country, but few cities or utilities have been able to pull it off, says Shyam Mheta, a senior analyst at GTM Research. AEP Ohio, a division of private utility American Electric Power, convinced Spain's Isofoton to

site its North American manufacturing facility in Napoleon, Ohio, to supply a 49.9-megawatt solar farm, scheduled to begin construction next year.

Anchoring and Nurturing

San Antonio hopes to differentiate itself with investments in R&D and attracting venture capital for startups,



Opportunity
like this **is rare.**

This is TexAmericas Center –
an expansive business and industry resource.

- Nearly 20,000 acres
- Located in the heart of Bowie county
- Abundant natural and human resources
- Adaptable infrastructure
- Pro-Business community



TexAmericas
CENTER™

texamericascenter.com • 107 Chapel Lane
New Boston, TX 75570 • 903.223.9841

Following are the Texas rankings and factors contributing to that ranking by Forbes:

Big Cities

1. **Austin-Round Rock:** 14.8 percent job growth between 2004 and 2008, strong service-sector performance.
2. **Houston-Sugar Land-Baytown:** Modest growth across sectors; manufacturing jobs up 2.3 percent in the last year.
3. **San Antonio:** Strong education and healthcare services job growth.
4. **Fort Worth-Arlington:** Cumulative employment growth of 30 percent between 2004 and 2007.
5. **Dallas-Plano-Irving:** Slightly negative growth since 2007, but gains in education, government and health service sectors.

Mid-Sized Cities

1. **McAllen-Edinburg-Mission:** 48-percent gain in education and healthcare jobs since 2003; non-

farm employment opportunities increased 61 percent 1997-2008.

6. **Corpus Christi:** 27.8-percent job growth over the last five years in natural resources, mining and construction; healthy energy sector.

Small Cities

1. **Odessa:** Job growth of 5.5 percent last year; robust energy sector activity; mining and construction sector cumulative growth up 905 percent since 2003.
3. **Longview:** Manufacturing job growth is up 9.8 percent since 2003.
5. **Killeen-Temple-Fort Hood:** Diverse economy with strong service-sector job growth since 2003.
6. **Laredo:** Job growth is up 15.8 percent over the last four years, most due to strong service sectors.
10. **College Station-Bryan:** Non-farm employment rose 3.2 percent in 2008; strong service-sector job growth.

—Mark Arend

such as Sologen Systems, which is attempting to develop grid-scale geothermal power at abandoned oil wells.

CPS Energy is providing the University of Texas at San Antonio with \$60 million over 10 years to create the Texas Sustainable Energy Research Institute. The city will also focus on building capacity of companies with promising

technologies.

“That bodes well for the future because we can help them grow organically,” says CPS CEO Doyle Beneby.

Consert Inc.’s headquarters relocation from Raleigh will create 50 jobs by the first quarter of 2012, with more to follow. The company inked a deal to install energy-management software in

140,000 homes and small businesses in the CPS service area.

“No one has done something of this scale yet, so there are a lot of things we will be learning together,” says Consert CEO Jack Roberts.

Consert serves electric co-ops and municipally owned utilities. A pilot project with CPS showed average

POWER UP.



WANT A LOCATION THAT CAN ENERGIZE YOUR OPERATION?

Join Toyota, Microsoft and other major players who are getting all the reliable, cost-competitive power they need, in an environmentally responsible manner from the nation's largest municipally-owned electric and natural gas utility. So look closer. With added features like a great lifestyle, responsive city government and a high-performance labor force of nearly a million, you'll have the energy to do anything.



saedf

san antonio economic development foundation

602 E. Commerce St., San Antonio, TX 78205

Visit sanantonioedf.com or call for a free DVD.

Toll-free: 800-552-3333 Local: 210-226-1394

©2011 SA Economic Development Foundation





Facility Cost: \$50 Million

Your Cost: \$0*

In New Jersey, you may qualify for a 100% tax credit.

With New Jersey's Urban Transit Hub Tax Credit Program, developers, owners or tenants may be able to offset up to 100% of the qualified capital investment. This powerful program has already resulted in \$394 million worth of tax credits supporting 10 major projects in qualified cities** throughout the state.

For specific information about how your project may qualify, please contact **Michael Chrobak** at **609-297-2190** or **mchrobak@choosenj.com**. The deadline to apply is January 13, 2013.

Choose New Jersey; We mean business.

- *New Jersey provides businesses with superior access to consumers worldwide*
- *Over 100 million people live within a 24-hour drive*
- *The state has one of the most well-educated, highly-skilled workforces in the U.S.*
- *20 of the world's Fortune 500 companies and hundreds of multinational firms are located in New Jersey*

*Taxpayers may apply 10% of the total credit amount per year over a ten-year period. An eligibility criterion applies.

**New Jersey's Urban Transit Hubs are located in close proximity to rail stations within nine of our largest cities; Camden, East Orange, Elizabeth, Hoboken, Jersey City, Newark, New Brunswick, Paterson and Trenton.

choose nj
www.choosenj.com

Choose New Jersey is an independently funded and operated nonprofit corporation.

Write in #287 for free info.



Doyle Beneby, CEO of CPS Energy, is working with San Antonio officials to bring about a New Energy Economy in the region.

energy savings of 10 percent, convincing Beneby that Consort could help cut 250 megawatts of peak power demand.

Energy efficiency and the addition of renewables are part of a strategy to retire an aging coal-fired plant by 2018. The city opted to invest in clean technology instead of spending \$500 million in retrofits required to meet new emissions standards. The

regulations have pitted Gov. Rick Perry against the Environmental Protection Agency.

"With the cloud of additional regulation and uncertainty of the costs of traditional energy sources, we decided it made sense to diversify the energy mix," Castro said.

San Antonio set a target for 20 percent renewable energy by 2020 as well. CPS has developed most of that goal around wind power PPAs since Texas has more than 10,000 megawatts of wind farms — the greatest concentration in the country, due in part to a successful renewable portfolio standard (RPS).

Billy Hamilton, a fiscal policy consultant and former chief deputy comptroller for Texas, says the state's renewable energy markets could create 23,000 jobs, adding \$2.7 billion in annual tax revenue over the next decade.

"Texas has seen success with wind in the last decade because of its aggressive RPS," Hamilton says. "Solar was slow to take off because prices were too high."

But that's already changing.

Solar Power Approach

In the past two years, PPA prices were 12 to 15 cents per kilowatt-hour for San Antonio's 14-megawatt Blue Wing solar project by JUWI Solar Inc., Boulder, Colo., and the 30-megawatt project by Beltsville, Md.-based SunEdison, according to sources familiar with the negotiations. The lowest prices for a recent 50-megawatt RFP came in at less than 10 cents per kilowatt-hour.

"That's basically grid parity with prices for our coal power plants," says Lanny Sinkin, executive director of Solar San Antonio, an advocacy nonprofit that helps finance rooftop solar.

Designated a Solar America City by the U.S. Department of Energy, San Antonio has become a major market for residential solar, in part because it boasts a DOE solar value of 5 kilowatt hours. CPS's \$3-per-watt rebate helps, too.

In July, the utility received 111 proposals for the 50-megawatt RFP. Beneby couldn't confirm nor deny exact amounts, but he does say that lower-than-expected prices convinced

The Sweet Smell of Success



DeSoto TEXAS

The DeSoto Economic Development Corporation assists businesses that want to relocate and grow in DeSoto. Our business-friendly leadership is dedicated to making your site-selection search easy and your investment in DeSoto a success.

DeSoto's competitive advantage lies in a great business park location: excellent transportation access, low cost building-ready land with an existing space inventory, a skilled workforce and development plans that ensure our partners achieve maximum ROI.

The Eagle Business & Industrial Park offers more than 400 acres of land with superb access to both Interstates 35E (NAFTA) and 20 via Centre Park Blvd and Polk Street. The park is home to Cintas, DIAB, DW Distribution, Kauffman Tire, Marten Transport, McGraw-Hill, Sam's/Wal-Mart Distribution, Solar Turbines, The Warrior Group and ZEP. Hillwood's Crossroads Trade Center offers over 2.3 million square feet of distribution center build-to-suit space.

Competitive incentives include Triple Freeport Exemption, tax abatement, land buy-down assistance, infrastructure participation, business development grants, business retention and customized workforce training. Whether your company needs a new commercial office building on I-35, a manufacturing facility on a hill overlooking downtown Dallas, a distribution warehouse, or a service oriented facility, DeSoto is the place to build your business, raise your kids, enjoy life and retire in style.

EAGLE BUSINESS & INDUSTRIAL PARK



Crossroads Trade Center

- Ten-year Tax abatement
- Triple-Freeport Inventory Tax benefits
- Foreign Trade Zone #39 Available
- 32' Clear Height Beyond Staging Bays
- ESFR Fire Sprinkler System



Retail-DeSoto Town Center

- 20,000 SF of Retail Space Available
- Multiple Retail Pad Sites on I-35 Frontage



Office-DeSoto Town Center

- 10,000 SF of Office Space Available
- Exciting Build-to-Suit Opportunities in 25-acre DeSoto Professional Park

DeSoto Economic Development Corporation

Randal Livingston, Interim Executive Director




211 E. Pleasant Run Road
DeSoto, TX 75115
972.230.9611
rlivingston@dedc.org
www.dedc.org

Top Texas Projects From January 2010 to Present

Company	Location	Product	New/ Expansion	Investment (\$millions)
Samsung Electronics Co.	Austin	Semiconductors	E	\$3,600
Freeport LNG	Freeport	Natural gas liquefaction	N	2,000
International Power	Goliad County	Coal	E	1,400
Cheniere Energy Inc.	Sabine Pass	Liquefied Natural Gas Facility	E	1,000
Deer Park Refining	Deer Park	Heavy Sour Crude Oil Processing	E	753
Premier Studios LLC	Frisco	Media Firm	N	700
Texas Industries	New Braunfels	Cement Plant	E	350
ExxonMobil	Hawkins	Oil & Natural Gas	N	340
General Motors	Arlington	Automobiles	E	331
Dow Chemical	Lake Jackson	Chemicals	E	300
BASF Corporation	Lake Jackson	Chemicals	E	250
Ineos USA LLC	Brazoria	Olefins	E	219
Norit Americas, Inc.	Marshall	Powered Activated Carbon	E	215
JBS USA Holdings	Cactus	Processed Meat	E	210
MeadWestvaco Texas, LP	Jasper	Paperboard	E	196
Rohm and Haas Texas Inc.	Deer Park	Chemicals	E	195
Alcoa World Alumina LLC	Point Comfort	Aluminum Oxide Abrasives	E	153
Dow Chemical	Deer Park	Chemical manufacturing	N	150
Data Foundry	Austin	Data Center	N	150
Copano Energy LLC	Houston	Pipeline Construction	E	145
Bayer MaterialScience	Baytown	Plastic Resins	E	120
Caterpillar Inc.	Victoria	Construction Machinery	N	120
Denbury Resources	Alvin	CO2 Processing Facility	N	115
Hilmar Cheese Company	Dalhart	Cheese	E	100
Toyota Motor Manufacturing Texas	San Antonio	Trucks	E	100
NA Industries/Nippon Shokubai Co.	Pasadena	Adhesives	N	100
Nustar Energy LP	San Antonio	Pipeline Company	N	100
TriQuint Semiconductor	Richardson	Communications semiconductors	E	100
Target	Denton	Distribution	N	100

Source: Conway Data, Inc. New Plant Database



**Bastrop is booming...
ever so quietly**

250+ acre business park just 30 minutes from Austin in the Lost Pines of Texas — the heart of the Houston/Dallas/San Antonio Triangle

BASTROP ECONOMIC DEVELOPMENT CORPORATION
Bastrop, Texas 78602 512.303.9700 www.BastropEDC.org

B E D C
BASTROP

the utility to expand the RFP to 400 megawatts. The larger footprint, Beneby says, sweetened the lure for the assembly and manufacturing component.

“They would come in here with ... a pretty good running start,” Beneby says. “You’ve got a good pipeline of demand ... up to 400 megawatts to get you started.”

GTM Research’s Mehta says low PV prices are due to China’s vertically integrated solar manufacturers scaling “way the hell up,” which forces U.S. and European manufacturers to reduce prices. While the price points are good for utilities eager to purchase more solar, they have devastated manufacturing and assembly prospects inside the U.S. with a few exceptions.

Perhaps more than a few, according to the Solar Energy Industries Association (see sidebar, page 781). “Fifty solar manufacturing plants in the U.S. have actually been upgraded in the past two years, making the U.S. a net exporter of solar materials and components,” says SEIA spokesperson Monique Hanis. Among U.S. companies that have expanded their solar energy production



Julián Castro is mayor of San Antonio, which has been designated a "Solar America City" by the Dept. of Energy.

facilities recently are First Solar in Perrysburg, Ohio, SolarWorld in Hillsboro, Ore., and Suntech in Phoenix. "Driving that is growing demand in the U.S., while demand weakens in Europe due to austerity measures and other factors."

But in August, Germany's SOLON Corp. announced the shuttering of a 60-megawatt assembly plant in Tucson, Ariz. Evergreen Solar filed for bankruptcy the same week.

"Most of these closures are the result of fierce global competition," Mehta says. "If you want to keep that factory afloat and running, you need to keep a dedicated source of demand."

CPS Energy's Beneby says the utility can learn from SOLON and Evergreen, which benefited from local and state incentive packages. CPS Energy has considered working with both a vertically integrated crystalline-silicon manufacturer and a promising thin-film company to hedge against future trends.

"There's no question these things aren't guaranteed," Beneby says. "We're certainly going to look into (case studies) so we can help the companies we partner with to be more sustainable."

He says relatively cheap land on the South Side — also home to a Toyota Tundra factory — can factor in to lower costs. CPS can also offer a facility reduced utility rates since it controls electricity generation and distribution,

Wind turbines like this one at the Penascal Wind Power Project in Kenedy County, Texas, supply power to CPS Energy customers.

Beneby says.

"I think we're headed on the right path, and we have the big hammer at CPS to get and hold attention," says Mario Hernandez, president of the San Antonio Economic Development Foundation.

Other tools include tax abatements and the Economic Development Incentive Fund. The latter provided \$2.3 million to Medtronic Inc. as part of a \$14-million incentives package that helped the city attract a company expansion with 1,400 jobs.

The city also works with the state to tap the Texas Enterprise Fund and the Texas Emerging Technology Fund. The Emerging Technology Fund provided up to \$10 million to InCube Laboratories to help three companies when the incubator established an office in San Antonio last year.

The deal showed that San Antonio is capable of closing on biotech deals, while the steady growth of Rackspace Hosting demonstrates support for tech entrepreneurship, says Stephanie Chandler, a securities transactions specialist at Jackson Walker LLP in San Antonio.


Smart Grid and Storage

San Antonio had about 916 megawatts of renewable energy as of August. A 200-megawatt wind PPA and the latest solar project would bring renewable output to about 1,500 megawatts in the next few years.


Integration of all that intermittent energy remains an elephant in the room, however. The state's booming wind farms in West Texas are criticized be-



MIDLOTHIAN TEXAS




40 MINUTES TO DFW INT'L




30 MINUTES TO DALLAS & FT. WORTH

STRATEGICALLY LOCATED ALONG THE NAFTA CORRIDOR...




— US Interstate System
— US 4-Lane Divided Hwy
✈ DFW & Mid-Way Airports

CLASS "A" BUSINESS PARKS WITH 'FAST TRACK' PERMITTING



TAX ABATEMENTS, FREEPORT EXEMPTIONS, EZ & FTZ



MIDLOTHIAN ECONOMIC DEVELOPMENT CORP.
www.CEDMidlothian.org
(972) 723-3800

Snyder, Texas — it's time you checked us out!

- ✓...Shovel-ready site
- ✓...Incentives
- ✓...Low interest loans
- ✓...Green labor force grants and initiatives
- ✓...No costs to run power to facility
- ✓...Progressive community ready for your arrival
- ✓...Utilities On Site!



DCOS Development Corporation of Snyder, Inc.

(325) 573-1544

dcos@developsnnyder.com

www.developsnnyder.com

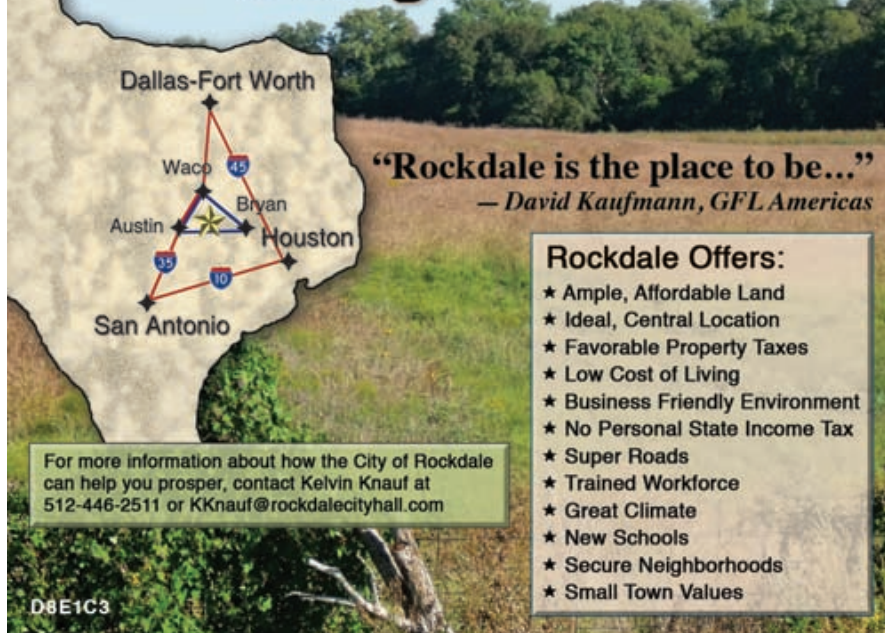


Photo courtesy of Harlingen EDC

Tire Recycling & Processing, LLC, (TRP) has announced plans to establish a center to process used tires into granules, carbon black and bio fuels in Harlingen. The company has purchased a 42,777-sq.-ft. (3,974-sq.-m.) facility in the Harlingen Industrial Park and will install new equipment valued at \$3.8 million. The operation will create 30 new jobs. TRP was formed by Ecologist Services & Dispositions, Inc. (ESD) to address the abundance of used tires in the environment. TRP will use state-of-the-art technology to process over 5,000 tires per day; the process involves no chemicals, odors, noise or emissions.

"We considered sites from across the Rio Grande Valley, but Harlingen's central location makes it the perfect site for receiving raw material and shipping the finished product to clients across the U.S. and around the world," says Marta Martinez, vice president of TRP. "Harlingen has an excellent distribution system which makes it an easy choice."

At the center of Texas' Prosperity Triangles



cause most generation kicks in at night, after peak demand. CPS has increased investment in PPAs with South Texas wind farms along the Gulf Coast, where generation picks up during the hottest time of the day. Intermittency for solar remains an issue, so CPS is developing a storage project.

"There is a vision for energy storage to figure out how we can work all this together and integrate it," says Lisa Lewis, CPS Energy spokeswoman.

The utility is collaborating on storage and smart grid R&D with UTSA and the Southwest Research Institute. San Antonio is also a major military city and cyber security hub, so UTSA is exploring research options to develop cyber security solutions for renewable energy networks, particularly for the military, which looks to technology as a strategy for enhancing "energy security."

For Mayor Castro, the possibilities for job growth don't stop there, either.

"The playing field is still wide open," he says. "I see San Antonio as a future leader and center of gravity for clean technology."

SITE

Robert Crowe is a freelance writer based in San Antonio.

Margin Tax Deemed 'Failed Experiment'

Texas' state business tax, enacted in 2006, has proven to be a failed experiment desperately needing reform, according to a new report by the Tax Foundation, a nonpartisan research organization that monitors fiscal policy on the federal, state and local levels. The Lone Star State's so-called "margin" tax, which has become notorious for its complexity, has aroused controversy both for placing dramatically different burdens on businesses in different sectors and failing at providing the projected amount of revenue for the state treasury. (On July 29, a suit was filed in the Texas Supreme Court challenging the constitutionality of the margin tax; the Court will issue a ruling on the matter by the end of November.)

The Texas margin tax replaced the state's corporate income tax, with the goal of broadening the base of businesses subject to it. Arguments that the tax created an unacceptable burden on small and unprofitable businesses, however, led to significant exemptions which undermined its ostensible goal. In 2009 alone, an additional 100 proposals to modify the tax made their way through the Texas state legislature.

"Far from solving the problems of the previous corporate franchise tax, the margin tax seems to have only aggravated them," says Tax Foundation Vice President of Legal & State Projects Joseph Henchman.

There have even been disagreements as to what the terms of law themselves mean.

One of the three options for calculating a company's liability under the margin tax is based on "total revenue minus cost of goods sold." The state's definition of "costs of goods sold," however, differs significantly from that in federal law, creating widespread confusion as to what deductions are and are not allowed.

"Of course, there's more to Texas' tax system than just the margin tax," says Henchman. "The state imposes no individual income tax, with Texans paying just 7.9 percent of their income in

state and local taxes, ranking them 45th highest nationally. Their tax structure is also the 13th most business-friendly in the country, according to the [Tax Foundation's] most recent *State Business Tax Climate Index*. That said, there's always room for improvement."

With the Texas margin tax collecting far less in revenue than expected, causing significant confusion and compliance costs, resulting in significant liti-

gation, and facing calls for substantial overhaul and even repeal, it should not be used as a model tax reform for any other state, says the Foundation.

Tax Foundation Fiscal Fact No. 279, "Texas Margin Tax Experiment Failing Due to Collection Shortfalls, Perceived Unfairness for Taxing Unprofitable and Small Businesses, and Confusing Rules" by Joseph Henchman, is available at www.taxfoundation.org.

www.McKinneyEDC.com



All the
business
advantages
of Dallas.
A fraction
of the people.



Ask any McKinney business owner, and they'll tell you that McKinney has it all – the resources of a major metropolitan market in a safe, serene setting. In fact, McKinney is a moderately sized community that is as much appreciated for its schools, housing and culture as it is for its economic growth, educated workforce and rising prominence as a business center. Plus, with the Collin County Regional Airport, your business aircraft can come and go with the convenience of on-field U.S. Customs, all while avoiding the bustle of the Metroplex. So if you're looking for a place where your business, employees and family will thrive, **look no further than McKinney.**